

Incoming  
m/001/0067  
Peter

UTAH DEPARTMENT OF NATURAL RESOURCES - DIVISION OF OIL, GAS AND MINING  
1594 West North Temple - Suite 1210, Salt Lake City UT 84116 (Delivery service)  
Box 145801, Salt Lake City UT 84114-5801 (US Postal service)  
Telephone: (801) 538-5342

RECEIVED

JAN 22 2015

**LARGE MINING OPERATIONS PROGRESS REPORT**  
**January 1, 2014 to December 31, 2014**

DIV. OF OIL, GAS & MINING

The information required in this form is based on provisions of the Mined Land Reclamation Act, Title 40-8, and the R647 rules under the Utah Minerals Regulatory Program. It is due January 31 of each year.

1. Mine Permit Number: M/001/067
2. Mine Name: Hidden Treasure
3. Name of Operator/Permittee: CS. Mining, LLC  
Note: If Operator's address, company representative or phone number have changed, submit replacement page(s) for the Notice of Intention together with form MR-REV available on the Division's web page at [https://fs.ogm.utah.gov/pub/MINES/Minerals\\_Related/FORMS/MR-REV.pdf](https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-REV.pdf).

4. Report the gross amount of ore or product mined and waste moved.

Gross ore or product mined 429,491 (amount) Tons (unit)

Waste material moved 3,955,348 (amount) Tons (unit)

Primary Commodities Produced Copper, Gold and Silver

5. Disturbed area at the end of last year (2013) 180.43 Acres  
New disturbance created during this year (2014) 194.02 Acres  
**Total** disturbed area at the end of the year 374.45 Acres\*

\* The total disturbed area includes 2013 and 2014 disturbance (minus areas of regrading and reseeded that have received approval for bond release) The **Total** area should not be greater than the permitted/bonded acreage.

6. Areas of reclamation eligible for bond release  
Areas regraded during 2014 year (-) 0 Acres\*\*  
Areas reseeded during 2014 year (-) 0 Acres\*\*

\*\* To apply for full or partial bond/site release submit form MR-SITE available at the Divisions web page at [https://fs.ogm.utah.gov/pub/MINES/Minerals\\_Related/FORMS/MR-SITE.pdf](https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-SITE.pdf).


7. Briefly describe any reclamation work performed during the past year. Include an updated map depicting surface disturbance and reclamation performed during the year (per R647-4-121.2) and any updates to operation plan (per R647-4-106).

Please see the attached reclamation report.

**I hereby certify the information provided in this report is true and correct to the best of my knowledge and belief.**

Name (Typed or Print): David McMullin

Title of Operator: President and CEO

Signature of Operator: 

Date: \_\_\_\_\_



January 20, 2015

RECEIVED  
JAN 22 2015  
DIV. OF OIL, GAS & MINING

Mr. Peter Brinton  
Division of Oil, Gas and Mining  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Re: Annual Progress Report

Dear Peter:

Enclosed, please find the Annual Progress Reports for the following NOI's:

M/001/0067 - Hidden Treasure Operations  
E/001/0159 - Copper Ranch Exploration Project  
E/001/0172 - Bawana/Sunrise Exploration Project  
E/001/0177 - Maria Pit Exploration Project  
E/001/0178 - Candy B Exploration Project  
E/001/0180 - OK Exploration Project  
E/001/0181 - Crossroads Exploration Project  
E001/0187 - Hidden Treasure West Extension  
S/001/0076 - Bawana Low Grade Ore Pile (*rolled this permit into the LMO*)

Three of the above NOI's had activity in 2014, the Hidden Treasure Operations, Copper Ranch and the Bawana/Sunrise. There was no activity at the Maria, Candy B, OK or Crossroads.

A request for an extension is requested through 2015 for all exploration permits.

Sincerely,

A handwritten signature in black ink that reads "Leslie Buhler".

Leslie Buhler  
Land & Permitting Manager

*CS Mining, LLC*

1208 South 200 West Milford, UT 84751  
[p] (435) 387-5053  
[f] (435) 387-5088  
[w] csmining.com



## CS Mining 2014 Reclamation Summary

Date: November 24, 2014

During the week of November 17 through 21, 2014 CS Mining (CSM) prepared areas around the Milford Operations Area (MOA) for revegetation. The areas prepared for seed placement include: topsoil stockpiles, water line route along main haul road, exploration roads and pads in the Sunrise and Copper Ranch Exploration areas. Surface preparation included ripping, grading, and tracking, followed by hand-broadcast seeding of seed mixes approved by the Division of Oil, Gas and Mining (DOGM), and/or the Cedar City Field office of the Bureau of Land Management (BLM) (Attachments A and B).

### Topsoil Stockpiles

Prior to interim reclamation of the topsoil stockpiles, the topsoil from the Bawana lower topsoil stockpile was moved and combined with the Hidden Treasure topsoil stockpile. The reason for this was due to the encroachment of the Bawana waste dump on the lower topsoil stockpile. In late October 2014, following salvage efforts of the Bawana lower topsoil stockpile, Platt and Platt visited the site and surveyed the volume of all known existing topsoil stockpiles located within the MOA. Table 1 lists the volume (in cubic yards (C.Y.)) of the topsoil stockpiles, as well as which piles underwent interim reclamation this fall.

**Table 1: Topsoil Volumes for Topsoil Stockpiles within the MOA**

Stockpile Name	Volume (C.Y.)	Interim Reclamation Efforts
Lab	20,600	Graded to 3H:1V, tracked, and hand-broadcast seeded
Flotation Mill	4,660	Graded to 3H:1V, tracked, and hand-broadcast seeded
SITLA Ore Transfer	17,334	None (has native vegetation growing)
Hidden Treasure	88,653	Graded to 3H:1V, tracked, and hand-broadcast seeded
Bawana Upper Dump	17,263	None (planned to be relocated upon initiation of Niagara)
Historic Pile near PNT2	9,900	None (historic, has native vegetation growing)
Sunrise Pit	24,100	Hand-broadcast seeded
Sunrise Waste Dump	66,500	Graded to 3H:1V, tracked, and hand-broadcast seeded
Sunrise Haul Road	6,000	Hand-broadcast seeded
Sunrise Dump Berm	7,580	Hand-broadcast seeded
<b>TOTAL VOLUME</b>	<b>262,590</b>	

The survey conducted by Platt and Platt in October, 2014 represents the most recent and accurate account of topsoil quantities available for reclamation purposes. It should be noted that the volumes represented here may be less than what was anticipated to be salvaged according to the 2014 Hidden Treasure Revision of the Notice of Intent (NOI) with DOGM. The reason for the discrepancy between actual volumes salvaged and predicted volumes is probably due to an overestimation of salvageable topsoil depth. The MOA is located in an alkaline environment, and when salvaging topsoil, equipment operators take great caution to not salvage past the distinct white alkaline layer, indicating end of topsoil and beginning of alluvium. The area is also home to noxious weeds such as knapweed. Topsoil that has been salvaged where knapweed is growing is buried instead of being mixed with the other salvaged topsoil. This cautious method of salvaging topsoil ensures that the stockpiles are not being contaminated with undesirable materials.

## **Water Line**

In 2012 Rollins Construction installed a water line connecting the water wells located at the CSM Truck Shop to the flotation mill. The water line runs parallel to the main haul road with a total length of 4.5 miles, or 23,907 feet. Average width of the water line is 20 feet. The water line was supposedly reclaimed by Rollins following completion of installation of the line; however the seed mix that was used was overrun by invasive halogeton and Russian thistle. In October 2014 the line was ripped using CSM's grader. The ripping turned the soil and brought coarse material closer to the surface. Early the week of November 17, the line was ripped again to expose fresh soil for seed placement. Later that week seed was hand broadcasted along the 4.5 mile water line. The seed mix used along the water line was recommended by the BLM (Attachment B). The line was finished by dragging a chain along the line to help protect the seed from the wind. Total acreage ripped, seeded, and dragged was 10.98 acres.

## **Copper Ranch Exploration**

Exploration activities at the Copper Ranch have been ongoing since before CSM obtained the site from Western Utah Copper Company (WUCC). As part of CSM's efforts to minimize overall impacts, and not follow the pattern of its predecessors, three acres of roads and pads within the Copper Ranch Exploration area have been ripped and reseeded. The roads and pads that were ripped and reseeded are located on the west and south sides of the Copper Ranch Exploration area (Figure 1). The seed mix used on the Copper Ranch Exploration area is the same as was used for the topsoil stockpiles (Attachment A).

## **Sunrise Exploration**

The bulk of the Sunrise Exploration area has been encompassed by the now existing Sunrise pit and waste dump. Exploration drilling in the Old Hickory area occurred on existing roads and pads. All holes drilled as part of the Sunrise Exploration have been plugged per DOGM Exploration standards. The remaining disturbance related to the Sunrise Exploration, located south of the existing waste dump, was ripped and reseeded. The disturbance included two exploration roads, each with three drill pads, and two drill pads extending off of existing roads

(Figure 2). The seed mix used on the Sunrise Exploration area is the same as was used for the topsoil stockpiles (Attachment A). Total acreage ripped and reseeded in the Sunrise Exploration area was 3.88 acres.

## **Summary**

The CSM topsoil stockpiles have been covered with interim seed mix, and those with the available space were graded and tracked prior to seed placement. The reclamation efforts related to the water line and exploration areas ripped, graded, and reseeded **17.86 acres** of previously disturbed land.



# Attachment A

## Interim Seed Mix used for Topsoil Stockpiles and Exploration Areas

From Granite Seed - Lehi  
1697 W 2100 N  
Lehi, UT 84043

Mix Name: Mix 1

1-24843

Mix # 134829

Mix #

% Pure	Common Name	Variety	G + D or H	Origin
39.18	RUSSIAN WILDRYE	Bozorsky	96 + 0 = 96	MT
29.88	THICKSPIKE WHEATGRASS	Ontana	92 + 0 = 92	WA
10.41	CRESTED WHEATGRASS	Hycrest	88 + 0 = 88	CAN
10.41	FORAGE KOCHIA	VNS	88 + 0 = 88	UT
4.93	YELLOW SWEETCLOVER	Yellow Blossom	89 + 4 = 93	CAN

0.15 Other Crop      Date Tested      30-DEC-13  
5.88 Inert Matter      % Hard Seed      0.00  
0.15 Weed Seed      Noxious Weed      None

Net Weight    43.53      Lbs PLS      50.00      Lbs Bulk

### NOTICE TO BUYER LIMITATIONS OF WARRANTIES AND REMEDIES

Crop yield and quality are dependent upon many factors beyond the control of the labeled seller and NO WARRANTY is made for crop yield and quality. The labeled seller warrants that all seed sold has been labeled as required under applicable state and federal seed law and that the seed conforms to the label description within recognized tolerances. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE LABEL.

No claim shall be asserted against the labeled seller unless Buyer reports to the labeled seller within a reasonable period after discovery (not to exceed thirty days) any condition that might lead to a complaint. BUYER'S EXCLUSIVE REMEDY FOR AN CLAIM OR LOSS RESULTING FROM BREACH OF WARRANTY, BREACH OF CONTRACT OR NEGLIGENCE (INCLUDING BUT NOT LIMITED TO INCIDENTAL OR CONSEQUENTIAL DAMAGES) SHALL BE LIMITED TO REPAYMENT OF THE PURCHASE PRICE.

By acceptance of the seed, Buyer agrees the terms and conditions stated above are a benefit to the bargain and constitute the entire agreement between Buyer and the labeled seller. Buyer shall return the original unopened seed package to the labeled seller within twenty days of receipt for a refund of the purchase price if not accepted under these terms.

### NOTICE: REQUIRED ARBITRATION / CONCILIATION / MEDIATION

The seed laws of several states including Arkansas, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Minnesota, Mississippi, Montana, North Dakota, South Carolina (Section 48-21-260), South Dakota, Texas and Washington require arbitration, conciliation or mediation of disputes involving alleged defective seed before certain legal actions may be maintained against a seller. North Carolina offers an alternative to court action that allows claims to be investigated and heard before the Special Seed Board. A complaint (sworn for AR, CO, FL, IL, IN, MN, MS, MT, NC, SC, TX, WA, signed only, CA, GA, ID, ND, SD) must be filed with the Department of Agriculture or Seed Commissioner (IN) or State Plant Board (AR) or Commissioner of Agriculture (NC) within such time to permit an inspection of seed, crops or plants (by an Arbitration Committee - AR, ID, MS, SC). In NC, failure to follow this procedure will limit the amount of damages recoverable. Certified copy of complaint must be sent by registered mail to the labeled seller as provided in individual state law. Information about these requirements may be obtained from the state Department of Agriculture.

WMI Call  
CS Mining LLC

# Attachment B

## Seed Mix used for Water Line Route

From: Granite Seed - Lehi  
1697 W 2100 N  
Lehi, UT 84043

2 of 2

Mix Name: Mix 2

1-2484

Mix # 134830

Mix 2

% Pure	Common Name	Variety	G + D or H	Origin
47.93	CRESTED WHEATGRASS	Hycrest	88 + 0 = 88	CAN
43.94	RUSSIAN WILDRYE	Bozoly	96 + 0 = 96	MT
6.67	PALMER PENSTEMON	VNS	79 -TZ	UT
0.03	Other Crop	Date Tested	27-SEP-13	
0.23	Inert Matter	% Hard Seed	0.00	
0.20	Weed Seed	Noxious Weed	None	
-----				
	Net Weight	23.19	Lbs. PLS	25.87
				Lbs. Bulk

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Figure 1: Copper Ranch 2014 Reclamation Efforts



 Ripped and Re-seeded



Figure 2: Sunrise Exploration 2014 Reclamation Efforts

